



*Division of Services for Aging and  
Adults with Physical Disabilities*

# **Policy Manual for Contracts**

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**DELAWARE HEALTH & SOCIAL SERVICES  
DIVISION OF SERVICES FOR AGING AND ADULTS WITH PHYSICAL DISABILITIES**

**ISSUE DATE:** January 2000    **REVISED:** 10/00; 02/05; 10/07    **LOG NO:** X-A-1

**SECTION:** Contract Management

**SUBJECT:** Purpose (Page 1 of 2)

**PURPOSE:** The purpose of the *DSAAPD Contract Management Policy and Procedure Manual* is to set forth basic guidelines for all contracts that are financially supported in whole or in part by funding from the Division.

**DEFINITION:** For the Purposes of this policy manual, the Division of Services for Aging and Adults with Physical Disabilities shall be referred to as The Division.

**POLICY:** The Division shall publish and distribute policies and procedures for contracts funded by the Division.

The Policies and Procedures:

- are meant to clarify matters that are addressed in various parts of the contract
- shall address both financial and program issues
- are not all inclusive
- will be reviewed by Division staff and updated as necessary.

Significant policy and procedural changes made while a contract is in effect will be negotiated with the contractor.

This manual governs all contract types including but not limited to consulting, training, program and services as applicable.

The Division shall distribute the Policy and Procedures Manual in one or more of the following formats:

- Print
- Electronic (distributed by diskette, CD or email)
- Internet

Each contractor will receive a copy of the manual with the executed contract.

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**SECTION:** Contract Management

**SUBJECT:** Purpose **(Page 2 of 2)**

The Division shall maintain a list identifying the agencies and individuals who have received a print or e-mail copy of the manual.

The Division shall distribute updates to the manual to those agencies and individuals who received a print or electronic version of the manual.

If published on the Internet, the Division will notify contractors in writing when updates are made. The Internet version will clearly indicate the date of the last update for each policy and procedure.

It is the responsibility of the Contractor to be aware and knowledgeable of the manual and train its staff on the contents.

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**SECTION:** Contract Management

**SUBJECT:** Division Contact

**PURPOSE:** To specify the Division contact person for each contract.

**POLICY:** The primary point of contact for a contract is the point person<sup>1</sup> for that activity or program.

**PROCEDURE:** Unless otherwise specified or instructed, the contractor's first point of contact within the Division is the program manager for the contract.

All written requests, correspondence, reports and questions shall be sent to the contract program manager.

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<sup>1</sup> From this point forward, the "point person" is referred to as "program manager." Program manager as used in this manual is a generic term that may include a number of official personnel position classifications and job titles.

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**SECTION:**   **Contract Management**

**SUBJECT:**   **Policy Waivers**

**PURPOSE:**               To establish a procedure for granting policy waivers.

**POLICY:**                The Division may at its sole discretion waive or modify any provision in this manual not mandated by state or federal statute or regulations. A waiver may be granted for a specific period of time not to exceed one year. A written waiver must include:

1. a statement of the rule for which the waiver is requested,
2. the reason the Division is waiving the policy, and
3. the waiver expiration date.

**PROCEDURE:**        A written request for a waiver must be made to the Division. The request must specify the policy to be waived, the reasons and the length of time a waiver is needed.

The program manager in consultation with other appropriate Division staff, if any, will review the request to determine, based on clear and convincing evidence, all of the following:

1. The application of the rule would impose an undue hardship on the organization requesting the waiver or on the consumer receiving the service;
2. The waiver from the policy in the specific case would not prejudice the substantial legal right of any person;
3. The provisions of the policy subject to the request for a waiver are not specifically mandated by statute or another provision of law; and
4. Substantially equal protection of public health, safety, and welfare will be afforded by a means other than that prescribed in the particular policy for which the waiver is requested.

The program manager in consultation with other appropriate Division staff, if any, will submit a recommendation to the Division Director through the Chief Financial Officer to:

1. approve the request
2. approve the request in part
3. approve time period waiver will be in effect
4. deny the request.

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**SECTION:**   **Contract Management**

**SUBJECT:**   **Signatures**

**PURPOSE:**           To establish requirements and standards for signatures on documents and reports.

**POLICY:**            The contract between the Division and contractor and all related requests and reports must be signed.

**PROCEDURE:**      The contract document must have an original handwritten signature of the person legally authorized to enter into contracts on behalf of the organization. The contractor must ensure that all documents requiring a signature are signed by a designated official of the agency.

For all other documents and reports, the contractor may choose to use an electronic signature of the person authorized to sign the documents and reports. The electronic signature must meet the [Delaware Uniform Electronic Transmissions Act](#) requirements.

The Division program manager is the point of contact if technical assistance is needed to determine the methods to obtain an electronic signature.



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**SECTION:**   **Contract Management**

**SUBJECT:**   **Continuity of Operations Plan**   **(Page 1 of 2)**

**PURPOSE:**               Establish Division requirements for disaster planning.

**POLICY:**                Each contractor shall develop a continuity of operations plan compatible with those of the Department and Division for use during a disaster.

**PROCEDURE:**        Disasters have many different forms. A disaster may be statewide in scope or limited to a single locality or building. A disaster may have an effect on the agency staff, facilities, clients, and suppliers. Each of these may limit the agency's ability to operate. The health and safety of clients may be endangered if services are not provided. To ensure client health and safety, the continuity of operations plan must have provisions to coordinate with the Department/Division's emergency plan.

At a minimum, the continuity of operations plan includes the following information:

- An alternate location for agency operations if the agency office or service delivery facilities are not accessible.
- The person who is the agency's primary crisis manager and will serve as the agency spokesperson in an emergency.
- The person designated as the backup spokesperson.
- A prioritized list of the agency's critical operations, staff and procedures needed to recover from a disaster.
- Backup suppliers and contractors should the prime supplier or contractor experience a disaster.
- An evacuation plan for the agency office and other service delivery facilities.

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**SECTION:**    **Contract Management**

**SUBJECT:**    **Continuity of Operations Plan**    **(Page 2 of 2)**

- A shelter in place plan for the agency office and other service delivery facilities.
- A communications plan detailing how the agency will communicate with clients, employees and the Division.
- How the agency will protect computer hardware, software and where back-up computers will be located.
- Records backup: The person responsible, where backup records are stored on site, where backup records are stored off-site.
- If client records are destroyed, how the agency will provide services to clients.

For additional information, go to the U.S. Department of Homeland Security's web site [Ready America](http://www.ready.gov) (<http://www.ready.gov> ).

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<b>SECTION:</b>	<b>Contract Management</b>		
<b>SUBJECT:</b>	<b>Continuity of Services – Change in Provider</b>		

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<b>SUBJECT:</b>	<b>Continuity of Services – Change in Provider</b>		

**PURPOSE:** To establish policy to insure access to records and continuity of client services in case of a change in provider agency.

**POLICY:** The discharging contractor is responsible for facilitating the timely transfer of the client records and related program information to the receiving agency to ensure uninterrupted services.

**PROCEDURE:** A client may be discharged from one provider agency to another for a number of reasons, including but not limited to: client request, provider request, contract termination or contract non-renewal.

In such situations, the continuity of service to the client is paramount. Clear, timely communication among the discharging agency, the receiving agency and the Division must be maintained.

The discharging agency must provide access to the client's records and related program information to the receiving agency, such as but not limited to:

- volunteer lists and contact information on volunteers who perform critical tasks that are deemed necessary to the operation of the program,
- client records necessary to ensure continuity of care and
- reports, including backup documentation.

DSAAPD retains the specific right to access, copy and retain possession of all client records, plans, reviews and essentially similar materials that relate to the services provided to the client(s), as well as contact information on volunteers who perform critical tasks that are deemed necessary to the operation of the program under the terms of this contract. The contractor shall not restrict the Division from such access.

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<b>SECTION:</b>	<b>Contract Management</b>		
<b>SUBJECT:</b>	<b>Request Submissions</b>		

<b>DELAWARE HEALTH &amp; SOCIAL SERVICES</b> <b>DIVISION OF SERVICES FOR AGING AND ADULTS WITH PHYSICAL DISABILITIES</b>	
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<b>SUBJECT:    Request Submissions</b>	

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<b>SECTION:</b>	<b>Contract Management</b>		
<b>SUBJECT:</b>	<b>Request Submissions</b>		

PURPOSE:	To establish a process for submitting requests requiring a decision or permission from the Division
POLICY:	All requests to the Division requiring a decision or permission are made in writing/email.
PROCEDURE:	<p>All requests, requiring a Division decision or permission, must be submitted to the Division on the required form or in written/electronic correspondence. The form/request must be signed by the authorized individual of the agency making the request.</p> <p>This policy does not apply to requests not requiring a Division decision or permission such as requests for technical assistance and/or resources.</p>

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**SECTION:** Contract Management

**SUBJECT:** Service Specifications

**PURPOSE:** To establish definitions, standards and service criteria for services financially supported in whole or in part by the Division.

**POLICY:** The Division may prepare written specifications for services it supports. The specifications set forth service definitions, standards, and eligibility criteria.

**PROCEDURE:** Service specifications are reviewed at least annually by Division staff and may be revised as needed. Specifications are part of the contract.

The service specifications are available at the website below or by contacting the Division office at (302) 255-9390.

<http://www.dhss.delaware.gov./dhss/dsaapd/funding1.html>

**DELAWARE HEALTH & SOCIAL SERVICES  
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**SECTION:** Contract Management

**SUBJECT:** Senior Community Service Employment Program Requirements (Page 1of 2)

**PURPOSE:** To establish contractor requirements for the Senior Community Service Employment Program, Older Americans Act Title V.

**POLICY:** Senior Community Service Employment Program contractors shall comply with the Older Americans Act Title V requirements, Department of Labor regulations, training and employment guidance letters (TEGLs), and Division policies, procedures and contract requirements.

**PROCEDURES:** Contractors must expend at least 97% of the “Participant Wages and Fringe Benefits” portion of the contract within the contract year.

At least 10% of the contractor’s modified authorization level shall be rotated within the contract year.

100% of the contractor’s modified authorization level must participate in at least one (1) workshop during the contract year.

Authorized community service employment slots shall be equitably apportioned among areas within the State by taking into consideration each area’s proportion of the total eligible population. The U.S. Department of Labor’s Equitable Distribution Report will be the basis for apportioning slots.

It is the contractor’s responsibility to distribute the authorized slots to participants residing throughout the project area (e.g. County). For New Castle County, the goal is to have 60% of authorized slots filled by City of Wilmington residents and 40% by participants residing outside the city. Current participants must not be adversely impacted by any redistribution.

Training assignments may not be concentrated at the contractor’s organization.

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<b>SECTION:</b>	<b>Contract Management</b>				
<b>SUBJECT:</b>	<b>Senior Community Service Employment Program Requirements (Page 2 of 2)</b>				

Each contractor shall comply with all federal and state program guidance and attend staff training events.

The contractor is legally obligated to provide complete data files in the specified electronic format, as well as hard copy case files, to the Division at the time the contractor ceases to administer the SCSEP.

Each contractor will assist the Division in training new contract organizations, new program director and/or staff in the technical aspects of the Data Collection System and SCSEP operations. The contractor shall work in conjunction with the Department of Labor regarding the Workforce Investment Act One-Stop Career Center system as specified in the Memorandum of Understanding among the Governor, the Workforce Investment Board and the Division.

February 29, 2008



**DELAWARE HEALTH & SOCIAL SERVICES  
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**SECTION:** Contract Management

**SUBJECT:** Application and Funding Through the Request For Proposal (RFP) Process  
(Page 1 of 3)

**PURPOSE:** To describe the Request for Proposal process for awarding funds to agencies that wish to provide services under contract with the Division.

**POLICY:** The Division, in conjunction with the Procurement Office for Delaware Department of Health and Social Services and Department Policy Memorandum #9, shall provide a formal process by which application can be made for State and Federal funds. It shall be the Division's policy to ensure that all contracts are developed in accordance with Department/Division policies/guidelines using Contractor's realistic budgetary needs and viable program performance goals.

**PROCEDURE:** The steps below will be utilized in the Request For Proposal (RFP) process:

- 1) Division staff will develop a RFP for agencies applying for State and Federal funds administered by the Division.
- 2) The RFP application will contain all forms necessary to apply for funding, including, but not limited to, instructions, scope of work, guidelines, evaluation criteria, budget information, etc. for the services requested.
- 3) The availability of the RFP shall be publicized through the [Department of Health & Social Services website](http://www.dhss.delaware.gov/dhss/rfp/dhssrfp.htm).  
(<http://www.dhss.delaware.gov/dhss/rfp/dhssrfp.htm>)
- 4) All applicants must also attend a mandatory Pre-Bid Meeting at the time and date specified in the RFP.
- 5) All applicants responding must submit an application package to the Department of Health and Social Services Procurement Office that includes completed forms and the information specified in the RFP in the required format by the date and time specified therein.

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<b>SECTION:     Contract Management</b>	
<b>SUBJECT:     Administrative Violations and Sanctions</b>	<b>(Page 1 of 3)</b>

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<b>SECTION:</b> Contract Management	
<b>SUBJECT:</b> Administrative Violations and Sanctions	<b>(Page 1 of 3)</b>

**PURPOSE:** To identify sanctions available to the Division when a contractor is in violation of administrative or performance requirements.

**POLICY:** The Division may apply sanctions that can be both progressive and cumulative in nature

**PROCEDURE:** Administrative violations may result in disciplinary and/or corrective actions as specified in this section, unless the violation occurred as a result of a man made or natural disaster or action by the Division/Department. The Division is responsible for documenting violations. Higher levels of administrative sanctions will be applied for non-compliance issues deemed most serious, and for continued non-compliance, including failure to take appropriate corrective action, for less serious issues.

Violations which may result in the imposition of sanctions include, but are not limited to, the following:

- (a) failure to satisfactorily resolve an identified contractual breach within specified timeframes;
- (b) failure to submit a required fiscal or program report by the due date or date of approved extension;
- (c) failure to submit required reports accurately and completely, if identified by the Division (not to exceed two instances in one fiscal year), and not corrected within five workdays following notification;
- (d) failure to submit an acceptable corrective action plan for findings of program and fiscal monitoring and assessments within forty-five (45) calendar days;
- (e) failure to resolve deficiencies noted in an audit review within timeframes established by contract;

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**ISSUE DATE:**      **October 2007**      **REVISED:**    ;    **LOG NO.:**      **X-D**

**SECTION:**    **Contract Management**

**SUBJECT:**    **Administrative Violations and Sanctions**      **(Page 2 of 3)**

- (f) failure to submit in a timely manner a Single Audit, in accordance with OMB Circular A-133, to the Division;
- (g) failure to act upon reported or identified threats to the health and safety of program participants in a timely manner;
- (h) failure to appropriately report and respond to allegations of abuse, neglect, exploitation, and allegations of fraud or ethics code violations.

Sanctions, at the discretion of the Division may include one or more, but are not limited to:

- (a) Written warning;
- (b) Development, submission and implementation of an acceptable corrective action plan;
- (c) Submission of additional and/or more detailed financial and/or performance reports;
- (d) Additional monitoring and assessments;
- (e) Repayment of disallowed costs;
- (f) Amendments to the contract;
- (g) Withholding payments to the contractor;
- (h) Imposition of required technical assistance;
- (i) Prohibition of participation in the RFP or other contracting process for a period of time specified by the Division;
- (j) Cancellation of the contract.

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All allegations of fraud will be investigated by the Department and/or other agency(ies) with jurisdiction. Complaints will be referred to the appropriate agency for action. Since payments to contractors are made from both State and Federal funds, submission of false or fraudulent claims, statements, documents, or the concealment of a material fact may be prosecuted as a felony in either Federal or State Court.

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10/00; 02/05; 10/07

**SECTION:** Contract Management

**SUBJECT:** Contract Termination (Page 1 of 2)

**PURPOSE:** To establish a procedure for contract termination.

**POLICY:** If, through any cause, a Contractor fails to fulfill in a timely and proper manner their obligation under this contract or violates any of the agreements or stipulations of the contract, the Division has the right to terminate the contract. The contract may also be terminated or not renewed without cause by either party.

**PROCEDURES:** In the case of termination for cause, the Division shall give a written notice to the Contractor of the pending termination. The notification letter shall specify the reason, based on documented evidence of non-performance and/or non-compliance with contract terms and conditions, and contain the effective date of termination. The notice must be given at least five (5) days before the termination effective date.

If contractor decides to terminate the contract without cause or decides not to renew, it shall give the Division ninety (90) days notice.

At the option of the Division, copies of all information/documentation including, but not limited to:

- volunteer lists and contact information on volunteers who perform critical tasks that are deemed necessary to the operation of the program,
- participant records, including care plans, necessary to ensure continuity of care, and
- reports, including backup documentation prepared by the Contractor under this contract shall be provided to the Division and become its property.

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<b>SUBJECT:</b>	<b>Contract Termination</b>		

Standard close-out procedures, as described in policy X-N, must be followed.

February 29, 2008



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**ISSUE DATE:** November 1985 **REVISED:** 11/87; 9/95; 10/00; **LOG NO.:** X-F  
02/05; 10/07

**SECTION:** Contract Management

**SUBJECT:** Contract Modifications/Amendments

(Page 1 of 2)

**PURPOSE:** To establish a policy regarding contract modifications and amendments.

**POLICY:** No contract shall be altered, changed, modified or amended except by written consent by all parties.

**PROCEDURE:** At any time during the term of the contract, either party may request a modification or amendment. Request for change shall be in writing, specifying the changes sought and the reason. Requests must be made and approved prior to any changes being implemented. The parties shall review the requested changes in terms of the laws, regulations, and desired outcomes.

All modifications and amendments requested by the contractor will use the ***CONTRACT CHANGE REQUEST FORM***. Upon review, the Division staff will determine whether a modification or an amendment is appropriate.

If the request is accepted the amendment will be drawn, approved and executed consistent with contractual procedures.

Modifications or amendments to the contract must be executed under the terms of this policy, and prior to the termination date. In some instances, requests involving revisions under the Senior Community Service Employment Program (Older Americans Act Title V) may require a formal Grant modification, as well as a contractual amendment

**Modifications:** A modification will be used for a minor change or adjustment. This would include such things as, with some exceptions, minor changes to individual line items in the budget. A modification requires only the Division's signed approval of the request form.

**Exception:** Modifications are not applicable to unit cost contracts.

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Amendments: More significant changes to the contract will require a formal amendment. If the amendment is requested by the contractor, the ***CONTRACT CHANGE REQUEST FORM*** from the contractor will start the process.

For cost reimbursement contracts, these changes include such things as increases or decreases in the total budget and/or units of service, or an increase or decrease of ten (10) percent or more in any budget line item.

For unit cost contracts, these changes include such things as a change in the total contract amount, an increase or decrease in the unit rate or the number of service units to be provided.

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<b>SECTION:</b>	<b>Contract Management</b>			
<b>SUBJECT:</b>	<b>Local Matching Share</b>			

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**PURPOSE:** To ensure local participation in supplementing state and federal funds.

DEFINITION: Local matching share is that portion of the approved budget not paid by either the federal or state government.

**POLICY:** All Contractors for Older Americans Act Title III-B, C and E services must supply a ten percent (10%) local match. Match requirements for Older Americans Act Title V are included in policy X-B-1. Failure of any Contractor to provide and document to the Division's satisfaction the required budget match could result in an audit finding and funds returned to the Division. All resources utilized as match are subject to audit.

**PROCEDURE:** Each Contractor must establish and maintain procedures and records to account for local matching resources. Contractors may include, but are not limited to, cash from local sources, in-kind (see In-Kind Resources As Match policy) and non-federal resources not used as match in any other program. Federal resources cannot be used as match except where federal statute authorizes use as cost sharing or matching.

Federal funds cannot be used as match.

Program income (see Program Income policy) is not allowable for use as match.

All matching funds must be properly expended and recorded according to terms and conditions of the contract and generally accepted accounting principles and practices. Documentation must be available for compliance monitoring.

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10/00; 02/05; 10/07

**SECTION: Contract Management**

**SUBJECT: In-Kind Resources as Match**

**(Page 1 of 2)**

**PURPOSE:** To provide guidelines for Contractors to identify allowable in-kind resources and establish their value for matching purposes.

**DEFINITION:** In-kind resources mean the value of non-cash contributions provided by third parties and the contractor. Third party and contractor in-kind contributions may be in the form of real property, equipment, supplies and other expendable property, and the value of goods and services directly benefiting and specifically identifiable to the project or program.

POLICY: In-kind resources shall be valued at rates consistent with those ordinarily paid for similar resources in the community. All in-kind resources used to meet the match requirement are subject to audit.

**PROCEDURE:** Test to Determine If a Resource Is Allowable As In-Kind Match

1. Is necessary and reasonable for proper and efficient accomplishment of the program/service goals and objectives;
2. Is allowable under the applicable cost principles;
3. Is not from a Federal source except where Federal statute authorizes use as cost sharing or matching;
4. Is not program income;
5. Is provided for in the approved budget.

## Valuation for Match

1. The value of **donated equipment** shall not exceed the fair market value of equipment of the same age and condition at the time of donation;
2. The value of **donated space** shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality;
3. The value of **loaned equipment** shall not exceed its fair rental value;

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02/05; 10/07

**SECTION:** Contract Management

**SUBJECT:** Program Income

**PURPOSE:** To provide information and definition of program income under the contract.

**POLICY:** The Division shall require Contractors to generate program income and to establish program income targets which will become part of the approved contract.

**PROCEDURE:**

1. Program income includes:
  - a) Client contributions, donations and fees;
  - b) Payments from staff and guests for the full cost of meals consumed;
  - c) Income earned from contract supported activities, such as the sale of arts and crafts, bazaars, dinners, dances, and any other fund-raising activity supported by contract funds;
  - d) Interest income earned from program funds.
2. The Contractor's program income target must be approved by the Division and specified in the contract.
3. Contractors must have procedures and records in place to safe guard and account for program income.
4. When invoicing the Division for services paid by the number of units provided, the amount of program income collected during the period must be shown on the invoice. At the end of the quarter, if the amount of program income exceeds the amount budgeted on a per unit basis, the payment of DSAAPD funds will be reduced by an equal amount.
5. When invoicing the Division for services reimbursed according to actual expenditures as in the approved budget, all program income collected must be shown on the invoice and subtracted from the total request for DSAAPD funds.
6. All program income must be used to expand services.

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**SECTION:** Contract Management

**SUBJECT:** Client Contributions

**PURPOSE:** To provide standards for collecting and managing voluntary client contributions.

**POLICY:** Each Contractor is required to provide all clients an opportunity to make voluntary contributions toward the cost of the services received and have documented procedures in place for collecting and safeguarding client contributions, while ensuring that no eligible person will be denied service for failure or refusal to contribute to the cost of the service received.

This policy does not apply if a service has a cost sharing/fee requirement or if the funding source prohibits voluntary client contributions.

**PROCEDURE:** Each Contractor shall:

- 1) Inform each client on the agency's cost to provide the services.
- 2) Provide each client with an opportunity to voluntarily contribute to the cost of the service;
- 3) Clearly inform each client that there is no obligation to contribute and that the contribution is purely voluntary;
- 4) Protect the privacy and confidentiality of each client with respect to his or her contribution;
- 5) Safeguard and account for all contributions; and
- 6) Use all contributions to expand the service for which the contribution was given;
- 7) Not means test<sup>2</sup> for any service for which contributions are accepted;
- 8) Assure that no eligible person be denied service for failure or refusal to contribute.

Client contributions are included in the definition of program income and must be expended before any state and federal funds.

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<sup>2</sup> A "means test" is determining eligibility for services based upon the applicant's income and assets. For example: an individual must have an income no greater than 100% of the poverty level and assets of less than \$2000. If the individual's income and/or assets are above this level the individual is not eligible for services.

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**SECTION:** Contract Management

**SUBJECT:** Client Cost Sharing/Fees

(Page 1 of 2)

**PURPOSE:** To provide standards for client cost sharing/fees.

**POLICY:** For those services the Division has elected to utilize client cost sharing/fees, the Contractor is required to have documented procedures in place for collecting and safeguarding client cost share/fees.

**PROCEDURE:** Cost sharing/fees shall not be applied to a low-income individual if the income of such individual is at or below the Federal poverty line unless otherwise permitted by statute.

Assets, savings, or other property owned by individuals cannot be used to determine if a person is subject to cost sharing or determining the amount of the cost share unless otherwise required by law.

Eligibility of individuals to cost share or pay a fee is determined solely by a confidential declaration of income and with no requirement for verification unless required by law.

Contractors must use a Division approved sliding fee schedule based solely on individual income and the cost of delivering services.

Contractors must have procedures in place to:

1. protect the privacy and confidentiality of each individual with respect to the declaration or non-declaration of individual income and to any share of costs paid or unpaid by an individual;
2. establish appropriate procedures to safeguard and account for cost share payments;
3. use each collected cost share payment to expand the service for which such payment was given;



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4. not deny service for an individual due to the income of such individual or such individual's failure to make a cost sharing payment unless permitted by law to do so;
5. determine the eligibility of individuals to cost share solely by a confidential declaration of income and with no requirement for verification, unless required by law; and

Client fees are included in the definition of program income and must be expended before any state and federal funds.



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**ISSUE DATE:** January 1984 **REVISED:** 11/87; 9/95; 4/99 **LOG NO.:** X-J  
10/00; 02/05; 10/07

**SECTION:** Contract Management - Miscellaneous Contract Information

**SUBJECT:** Contractor Training

**PURPOSE:** To establish a policy on allowable training expenditures for Division contracts.

**POLICY:** It is the policy of the Division that Contractors provide training opportunities for staff to stay current on practices in their field and to improve knowledge and skills.

**PROCEDURES:** Training funds are budgeted in accordance with the budget development guidance.

1. Training funds may be used for:
  - a. Materials and supplies (purchase, print, copy)
  - b. Trainers/facilitators
  - c. Space rental
  - d. Travel expenses
  - e. Registration fees
  - f. AV equipment rental
2. Contractors are encouraged to partner with other agencies and organizations in order to maximize training resources.
3. In-service training is encouraged as a means to improve performance, correct specific deficiencies, increase motivation and provide professional development.
4. The Division may require attendance for specific groups of provider staff at Division provided training events.
5. Travel to attend out-of-state conferences and training more than 100 miles from Dover, DE require prior approval by the Division.

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**ISSUE DATE:** October 2001      **REVISED:** 11/01; 02/05; 10/07      **LOG NO.:** X-K

**SECTION:** Contract Management

**SUBJECT:** Client Service Waiting Lists      **(Page 1 of 2)**

**PURPOSE:** The purpose of this policy is to ensure that public resources are allotted fairly to citizens in need of services funded by the Division.

**POLICY:** When resources are not adequate to serve all applicants qualifying for a service, the Division recognizes the need to maintain waiting lists. These waiting lists must be developed and maintained with the best interests of Delaware's most vulnerable citizens in mind.

In accordance with DHSS Policy Memorandum # 7, August 10, 2001, the Division Director in consultation with the DHSS Secretary or his/her designee may make exceptions to this rule.

**PROCEDURE:** All services for which a waiting list becomes necessary shall maintain that list in accord with the contract service specifications. The list shall be maintained in the following fashions:

1. When funds are not available to assess all prospective consumers, the Contractor will establish a waiting list for assessments. As funds become available, consumers will be assessed on a first come, first served basis.
2. Where program resources are insufficient to meet the demand for services for individuals who have been assessed, each Contractor shall establish and utilize written procedures for establishing and maintaining a waiting list. Waiting lists may be based on either first come, first served or needs.
3. The following factors may be utilized in developing a prioritization methodology for waiting lists based on needs:
  - a. For Social Need – isolation, living alone, age 75 or over, minority group member, non-English speaking, living in a rural area;

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**SECTION:** Contract Management

**SUBJECT:** Client Service Waiting Lists      **(Page 2 of 2)**

- b. For Functional Need – Activities of Daily Living<sup>3</sup> and Instrumental Activities of Daily Living<sup>4</sup> limitations;
- c. For Economic Need -- eligibility for income assistance programs, self-declared income at or below 100% of the poverty threshold.
- 4. Waiting lists based on need must be reviewed periodically to re-evaluate the relative needs of clients/potential clients.
- 5. Consumer names may be removed from the waiting list at the request of the consumer or if the Contractor determines that another funding source is available to the consumer, or the consumer has entered a hospital, residential care facility or nursing facility for longer than 30 days, or upon the death of the consumer.
- 6. Individuals on waiting lists for services for which cost sharing is allowable, may be afforded the opportunity to acquire services on a 100% cost share basis until they can be served by the funded program.

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<sup>3</sup> Activities of daily living are activities related to personal care and include bathing or showering, dressing, getting in or out of bed or a chair, using the toilet, and eating.

<sup>4</sup> Instrumental activities of daily living are activities related to independent living and include preparing meals, managing money, shopping for groceries or personal items, performing light or heavy housework, and using a telephone.

**DELAWARE HEALTH & SOCIAL SERVICES  
DIVISION OF SERVICES FOR AGING AND ADULTS WITH PHYSICAL DISABILITIES**

**ISSUE DATE:** June 1982    **REVISED:** 11/85; 11/87; 9/95; 4/99;    **LOG NO.:** X-L-1  
7/99; 10/00; 02/05; 10/07

**SECTION:** Contract Management

**SUBJECT:** Contract Monitoring

**PURPOSE:** To establish a policy regarding the Division's contract monitoring process.

**POLICY:** Each Contractor shall be monitored for compliance with Federal and State requirements and terms and conditions of the contract.

**PROCEDURE:** Monitoring is the ongoing process by which the program manager and the internal auditor systematically gather and assemble data about activities and programs carried out under service contracts to assure that they operate within the constraints of legislative and administrative regulations, policies, guidelines, rules and contractual agreements.

Division program managers will review all invoices, program reports and financial reports as they are submitted to determine the Contractor's progress in delivering services as specified in the contract and to identify any potential problems. When the program manager identifies irregularities in the fiscal reports or questions an expenditure, the report may be forwarded to the internal auditor for review.

This review may be augmented through:

1. periodic telephone calls,
2. informal visits to observe service delivery operations, and
3. Analysis of *Fiscal and Program Self-Monitoring Questionnaires*.

Each quarter, the internal auditor will select at least one agency with a unit cost contract, one agency with a cost reimbursement contract and at least one agency with multiple contracts for a more detailed review.

The Contractor must complete and return the ***SELF-MONITORING QUESTIONNAIRES*** developed by the Division on an annual basis; or, more frequently if requested by the Division. ***SELF-MONITORING QUESTIONNAIRES*** will be sent to contractors to be completed, signed and returned. It is anticipated that in completing the questionnaire, the contractors will become more knowledgeable of their internal operations which will lead to a better awareness of any improvement/changes that need to be made.

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**ISSUE DATE:** August 1985 **REVISED:** 9/95; 10/00; 02/05 10/07 **LOG NO.:** X-L-2

**SECTION:** Contract Management

**SUBJECT:** Contract Assessment (Page 1 of 2)

**PURPOSE** To establish policy for the assessment of Contractor performance under the contract with the Division.

**POLICY** An on-site assessment of a Contractor's performance will be conducted as often as deemed necessary, as determined through risk assessment activities, but not less than once every three years.

**PROCEDURE** Assessment is the periodic process by which the Division gathers and analyzes all available information through use of a structured tool, during an on-site visit, in order to identify the strengths and weaknesses and determine the efficiency and effectiveness of activities carried out under the service contract. At least one-third of the Division's contractors will be assessed each year. Each contractor will be assessed at least once during a three year period. An assessment visit is followed-up with a formal report to the contractor.

The internal auditor will conduct a risk assessment for each contractor at least annually. This process includes the use of a standardized risk assessment tool. The risk assessment will determine the frequency and timing of each contractor's assessment. The internal auditor is the team leader for assessments and will be responsible for the financial component of the assessment.

At any time during normal business hours, the Contractor shall make available to the Division all records with respect to all matters covered by the contract including, but not limited to:

1. volunteer contact information, job descriptions and timesheets;
2. personnel records and timesheets for paid staff;
3. individual client records;
4. documentation to support all invoices and program and fiscal reports to the Division;

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**ISSUE DATE:** August 1985 **REVISED:** 9/95; 10/00; 02/05 10/07 **LOG NO.:** X-L-2

**SECTION:** Contract Management

**SUBJECT:** Contract Assessment (Page 2 of 2)

5. documentation to demonstrate compliance with service specifications;

The Contractor must provide or permit Division staff to make excerpts or transcripts from and copies of any records as needed to conduct the assessment and resolve any discrepancies.

An exit conference will be conducted at the end of the visit to discuss preliminary findings and potential corrective actions with the Contractor staff.

Within thirty (30) days of the on-site visit, Division staff will generate a written report detailing the findings, stating any corrective action needed and the timeframe for implementing the corrective actions. The report will be distributed to the Contractor Chair of the Board of Directors, Executive Director, other appropriate senior management of the agency and to the Division Director or designee.



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**ISSUE DATE:** November 1985 **REVISED:** 2/95; 9/95; 10/00; 02/05; 10/07 **LOG NO.:**X-M

**SECTION:** Contract Management

**SUBJECT:** Audits (Page 1 of 2)

**PURPOSE:** To establish policy governing the frequency and content of audits and financial reports.

**POLICY:** Contractors meeting A-133 requirements must have an audit conducted on an annual basis. New contractors must submit a copy of their most recent audit with the application.

**PROCEDURE:** All providers must complete and submit no later than the end of the first quarter of the contract period an A-133 Eligibility Determination form. Medicare and Medicaid payments are not included in the calculation of the amount of federal funds expended. Other federal funds from all sources, not just from the Division, are included in the calculation.

Government and non-profit contractors expending less than \$500,000 in federal funds are not required to have an audit.

Government and non-profit contractors expending \$500,000 or more in federal funds or as otherwise required by the federal funding source are required to have an audit. The audit must conform to Office of Management and Budget [Circular A-133](#). A Certified Public Accountant (or public accounting firm) or an auditor, qualified and independent, in fact and in appearance, must conduct the audit to express an unbiased opinion.

- Contractors must submit to the Division one copy of the audit report, including any Administrative Findings, within 90 days of its publication.
- Audit reports citing deficiencies must be accompanied by the agency's corrective action plan. Additional follow-up information may be required by the Division.

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<b>ISSUE DATE: November 1985 REVISED: 2/95; 9/95; 10/00; 02/05; 10/07 LOG NO.:X-M</b>
<b>SECTION: Contract Management</b>
<b>SUBJECT: Audits (Page 2 of 2)</b>

Agencies, without a current contract with the Division that are applying for Division funds, must submit with its application a copy of its most recent audit or, if an audit has not been conducted within the prior two years, a copy of its most recent annual financial statements conforming with Financial Accounting Board Standard 117.

If the contractor is an organization operating in multiple states, the entity subject to audit is:

- the Delaware office if it is a separate corporation;
- the parent corporation, if the Delaware office is not a separate corporation.

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**ISSUE DATE:** June 1982    **REVISED:** 11/85; 9/95;10/00;  
12/03; 10/07    **LOG NO.:** X-N-1

**SECTION:** Contract Management

**SUBJECT:** Close-out Procedures – Yearly Contract Close-out Procedures

**PURPOSE:** To establish policy regarding a yearly close-out process for contracts funded through the Division.

**POLICY:** At the end of each contract year, the Contractor will go through a close-out process for each contract funded through the Division.

**PROCEDURES:** No additional obligation of funds may be made by the Contractor beyond the contract end date.

All invoices must be submitted to the Division within sixty (60) calendar days following the end of the contract period.

Within ninety (90) calendar days following the end of the contract, the Contractor shall submit the following to the Division :

- A final Financial Report, marked FINAL
- A final Program Report
- A property inventory, if requested by the Division

Upon receipt of acceptable reports and documents listed above, the Division will make immediate settlement for any upward adjustment.

Contractors who have line item budget contracts must return all remaining unspent and unobligated funds.

Funds expended by the Contractor that are determined to be disallowed costs must be returned to the Division.



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**ISSUE DATE:** August 1985 **REVISED:** 9/95; 10/00; 02/05 10/07 **LOG NO.:** X-O

**SECTION:** Contract Management

**SUBJECT:** Affirmative Action

**PURPOSE:** To ensure that all Contractors implement an Affirmative Action Program in compliance with federal requirements (45 CFR Parts 80, 84), Delaware Department of Health and Social Services and Division policies.

**POLICY:** The Division is responsible for receiving and disbursing federal and state funds for programs and projects. The Division is committed to the principle of Equal Opportunity and Affirmative Action. All policies, procedures and management practices of Contractors contracted by the Division shall be designed and implemented to reflect this commitment. Contractors are required to ensure that all activities related to recruitment, hiring, training, compensation, benefits, promotions, tuition assistance, recreational and social programs and all treatment on the job will be administered without regard to race, religion, sex, age, national origin, political affiliation, physical or mental handicap or other non-merit factors.

**PROCEDURE** Non-compliance by any agency shall be reported to the Director. Technical assistance and careful monitoring of the agency must be provided until the agency is compliant.

Contractor shall complete and submit to the program manager the *Affirmative Action Performance Report* on an annual basis.

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**ISSUE DATE:** August 1985 **REVISED:** 9/95; 10/00; 10/02;  
02/05 10/07 **LOG NO.:** X-P

**SECTION:** Contract Management

**SUBJECT:** Grievance Policy and Delaware's Equal Accommodation Law (Page 1 of 2)

**PURPOSE:** To provide a procedure by which individuals who are dissatisfied with or denied services can formally register a grievance.

**POLICY:** It is the policy of the Division to ensure all that programs and services equally accommodate all persons eligible under the terms of the contract, regardless of race, age, marital status, creed, color, sex, national origin or handicap. Each Contractor is responsible for Public/Participant awareness, and must be prepared to handle complaints concerning the lack of compliance. A poster stating the policy and the complaint procedure must be posted in a conspicuous area of the agency.

**PROCEDURE:** Designate a single point of contact within the agency to receive, investigate and resolve complaints.

In the event that a complaint is received either by an agency or Division , the following procedure shall be implemented:

**Step 1.** In the interest of maintaining harmonious relationship and in order to allow the Contractor an opportunity to resolve the complaint or misunderstanding regarding a service, the complaint shall be referred to the Contractor's single point of contact identified to the Division for the program cited.

**Step 2.** In the event that service has been denied or that the decision from Step 1 is not satisfactory to the complainant, the next level of grievance shall be the Executive Director (or equivalent) or designee of the Contractor. Also, this person shall provide written notification of the grievance to the Board of Directors.

**Step 3.** In the event that the decision from Step 2 is not satisfactory to the complainant, then the Director of the Division or designee will take the complaint under consideration for proper resolution. It is emphasized that all parties should make every effort to resolve the complaint at Step 1.

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**ISSUE DATE:** August 1985 **REVISED:** 9/95; 10/00; 10/02;  
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**SECTION:** Contract Management

**SUBJECT:** Grievance Policy and Delaware's Equal Accommodation Law (Page 2 of 2)

For any individual who has been denied service, nothing in the above procedure shall prohibit grieving directly to or simultaneously with the Department of State, Division of Human Relations.

Individuals lodging complaints on the basis of being denied services will be given a copy of the attached *Delaware's Equal Accommodations Law*.

Complainants using dissatisfaction as the basis for their grievance should be given the appropriate contact personnel names and addresses for Steps 1 through 3 by the Contractor.

Response to complaints should be handled in a timely manner with a maximum of thirty (30) days from inception to resolution. Contractors must notify the Division, in writing, of any formal complaints and the progress of their resolution.

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**ISSUE DATE:**    **October 2007**    **REVISED:**            **LOG NO.: X-Q**

**SECTION:**    **Contract Management**

**SUBJECT:**    **Invoicing**

**PURPOSE:**                      To establish standards for invoicing for services provided.

**POLICY:**                        Contractors shall invoice the Division once per month.

**PROCEDURE:**                Contractors shall submit one (1) invoice each month within 15 days following the end of the month being invoiced. Cost reimbursement contract invoices shall be for actual expenditures. Unit cost invoices shall be for actual number of units provided.

Each contractor shall establish a system to ensure that each invoice has a unique, unduplicated, invoice number.

The invoice must contain the following:

1. Contractor name
2. Type of Service
3. Division contract number
4. Division purchase order number
5. Contractor invoice number
6. Funding source
7. Period of service
8. Date submitted
9. Contact Person
10. Program specific requirements (as attachment) if indicated in the program service specifications

Each contract and funding source must be invoiced separately.

A contractor can submit only one (1) invoice each month per contract per funding source.



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**ISSUE DATE:** June 1982    **REVISED:** 12/87; 9/95; 10/00; 12/03; 10/07    **LOG NO.:** X-R

**SECTION:** Contract Management

**SUBJECT:** Accessibility

**PURPOSE:** To ensure that programs operated under the jurisdiction of this Division meet federal standards for accessibility by persons with disabilities.

**POLICY:** Recipients of funds from the Division must comply with the requirements of the [Americans with Disabilities Act](#), [Section 504](#) of the Rehabilitation Act of 1973 and [45 CFR Part 84](#).

**PROCEDURE:** Title II of the ADA prohibits discrimination against qualified individuals with disabilities in all programs, activities and services of public entities. It requires funded entities to eliminate any eligibility criteria for participation in programs, activities and services that screen out or tend to screen out persons with disabilities, unless it can establish that the requirements are necessary for the provision of the service, program or activity. It further requires public entities to reasonably modify their policies, practices, or procedures to avoid discrimination. If the public entity can demonstrate that a particular modification would fundamentally alter the nature of its service, program or activity, it is not required to make the modification.

These statutes and regulations apply to all aspects of service delivery including but not limited to:

- Buildings
- Vehicles
- Publications, Print Documents, Media (alternate formats for accessibility)
- Policies
- Practices
- Procedures

**DELAWARE HEALTH & SOCIAL SERVICES  
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**ISSUE DATE:** October 2007      **REVISED:**      **LOG NO.:** X-S-1

**SECTION:** Contract Management

**SUBJECT:** Reporting

**PURPOSE:** To establish requirement for reporting on activities and accomplishments under the contract.

**POLICY:** All contractors are required to report activities and accomplishments on a regular basis.

**PROCEDURE:** Each funding source has a reporting requirement. The frequency of reports and the information reported vary by funding source.

The reporting requirements may change during the contract period if a funding source changes its requirements.

From time to time, the Division may require an ad hoc or special report to respond to an unexpected data need.

Older Americans Act Title III and Title VII contractors must comply with the National Aging Program Information System (NAPIS) requirements.

Reports must be submitted on the required forms or in an electronic format. If an electronic format is used it must meet the Division's specified format.

The contractor is responsible for converting its data into the format required by the Division.

Funds may be withheld if reports are not submitted by the due date; are inaccurate; or, are in the incorrect format.

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**ISSUE DATE:** June 1982      **REVISED:** 11/87; 9/95; 10/00;  
02/05; 10/07      **LOG NO.:** X-S-2

**SECTION:** Contract Management

**SUBJECT:** Reports – Quarterly Program Performance Report – Title III, SSBG, State  
Funded Programs (Except Direct Referral Programs) and Special Instructions for  
Title V Programs

**PURPOSE:** To provide direction regarding periodic submission of performance data by the Contractor.

**POLICY:** Each Contractor, excluding Title V, is required to submit an accurate and complete quarterly program report for each program for which funding is received from the Division. Forms and instructions are program specific and are available from the program manager. If the report is submitted in an electronic format, it must adhere to the format specified by DSAAPD. The date for submission is specified in the contract, unless otherwise notified.

**PROCEDURE:** Each Contractor, excluding Title V, shall submit a Quarterly Program Performance Report within eighteen (18) calendar days following the end of each calendar quarter. Reports must contain a signature and date.

Title V Contractors: Title V contractors are required to maintain program information in the US Department of Labor's SCSEP Performance and Results QPR system (SPARQ). The QPR is produced by SPARQ based on program data entered.

In the event that a report is inaccurate, incomplete, not received in the specified electronic format or in a timely manner, the Division may withhold payments to the Contractor until an acceptable report is received. If funds are withheld, the Contractor's Board of Directors may also be notified.

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<b>ISSUE DATE:</b>	<b>June 1982</b>	<b>REVISED:</b>	<b>1/88; 3/89; 9/95</b>	<b>LOG NO.:</b>	<b>X-S-3</b>
			<b>10/00; 02/05; 10/07</b>		
<b>SECTION:</b>	<b>Contract Management</b>				
<b>SUBJECT:</b>	<b>Reports – Monthly Program Activity Report – Title V ONLY</b>				

PURPOSE: To provide direction regarding periodic submission of performance data by the Contractor

**POLICY:** Each Title V Contractor is required to submit an accurate and complete monthly activity report no later than fifteen (15) calendar days after the end of the month covered by the report. Forms and instructions are available from the Division's SCSEP Program Manager.

PROCEDURE: Each Title V Contractor shall submit a monthly activity report within the specified number of days following the end of each month. This report must contain a signature and date.

In the event that a report is inaccurate, incomplete, not received in the specified electronic format or in a timely manner, the Division may withhold payments to the Contractor until an acceptable report is received. If funds are withheld, the Contractor's Board of Directors may also be notified.

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**ISSUE DATE:** June 1982    **REVISED:** 7/87; 9/95; 10/00; 02/05; 10/07    **LOG NO.:** X-S-4

**SECTION:** Contract Management

**SUBJECT:** Reports – Quarterly Financial Report – Title III, SSBG and Designated State Funded Programs

**PURPOSE:** To provide direction regarding submission of financial data by the Contractor.

**POLICY:** Each Contractor is required to submit an accurate and complete quarterly financial report for each program for which funding is received from the Division. The report must be submitted no later than eighteen (18) calendar days following the end of each quarter. Forms and instructions are program specific and are available from the Program Manager. The report must contain a signature and date.

**PROCEDURE:** Depending on the type of contract, the Contractor will submit one of the following:

- Quarterly Financial Report for Line Item Budget Contracts
- Quarterly Financial Report for Unit Cost Contracts

In the event that a report is inaccurate, incomplete, not received in the specified electronic format or in a timely manner, the Division may withhold payments to the Contractor until an acceptable report is received. If funds are withheld, the Contractor's Board of Directors may also be notified.

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**ISSUE DATE:** June 1982    **REVISED:** 7/87; 9/95; 10/00; 02/05    **LOG NO.:** X-S-5  
10/07

**SECTION:** Contract Management

**SUBJECT:** Reports – Monthly Financial Report – Title V and Designated State Funded  
Programs

**PURPOSE:** To provide direction regarding periodic submission of financial data by the Contractor.

**POLICY:** Each Contractor is required to submit an accurate and complete monthly financial report to the Division no later than fifteen (15) calendar days after the end of the month covered by the report. This report must contain a signature and date.

**PROCEDURE:** In the event that a report is inaccurate, incomplete, not received in the specified electronic format or in a timely manner, the Division may withhold payments to the Contractor until an acceptable report is received. If funds are withheld, the Contractor's Board of Directors may also be notified.

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**ISSUE DATE:** September 1995      **REVISED:** 10/00; 02/05; 10/07      **LOG NO.:** X-S-6

**SECTION:** Contract Management

**SUBJECT:** Reports – Quarterly Financial Status Report

**PURPOSE:** To provide policy regarding confirmation of receipts from the Division.

**POLICY:** Each Contractor will review and verify receipts from the Division on a quarterly basis.

**PROCEDURE:** The Division fiscal office will compile and send a quarterly statement to the Contractor for each contract based on the invoices paid to date and the balance remaining on the contract.

The Contractor will review the information and either confirm its accuracy or seek clarification.

The Contractor shall return the report to the Division fiscal office to the attention of:

Fiscal Office  
DHSS - DSAAPD  
1901 N. DuPont Highway, Main Building Annex  
New Castle, DE 19720

The due date is noted on the bottom of the report. This report must contain a signature and date.

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**ISSUE DATE:** June 1982    **REVISED:** 11/85; 11/87; 9/95    **LOG NO.:** X-T  
10/00; 02/05; 10/07

**SECTION:** Contract Management

**SUBJECT:** Fiscal Management – Accounting Procedures

**PURPOSE:** To require Contractors to maintain adequate fiscal controls to ensure proper disbursement, accountability and management of in-kind, local cash, program income and state and federal funds received through the Division.

**POLICY:** Each Contractor shall maintain written accounting procedures that will adequately demonstrate fiscal safeguards and compliance with state and federal regulations.

**PROCEDURES:** Contractors shall review their accounting procedures subsequent to finalization of a contract with the Division to determine if revisions are needed to conform with current contractual terms and regulations.

Any changes in state and/or federal regulations during the contract period, which affect the accounting procedures, will be forwarded by the Division to all Contractors.

Contractors shall incorporate procedures as necessary to meet the terms of the contract and regulations and shall update as needed.

Accounting procedures must comply with [Generally Accepted Accounting Principles and Practices](#).



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**ISSUE DATE: June 1982      REVISED: 12/87; 9/95; 10/00;      LOG NO.: X-U-1**  
**02/05; 10/07**

**SECTION: Contract Management**

**SUBJECT: Property Management – Code Requirements**

**PURPOSE:** To specify the governing codes for the sanitation and safety of facilities in which services are provided with funding from the Division.

**POLICY:** A facility used to provide services funded through the Division must comply with all applicable federal, state and local health, fire, safety, accessibility, building, zoning and sanitation laws, regulations, ordinances and codes.

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**ISSUE DATE:** June 1982    **REVISED:** 12/87; 9/95; 10/00;    **LOG NO.:** X-U-2  
02/05; 10/07

**SECTION:** Contract Management

**SUBJECT:** Property Management-Insurance

**PURPOSE:** To protect the federal and state governments from financial loss of property purchased with Division funds and to ensure program continuity.

**POLICY:** Contractors will ensure that sufficient insurance coverage is purchased as addressed in the Department boilerplate. Adequate fire and extended insurance shall be required to cover the replacement value of all capital assets and [tangible personal property](#)<sup>5</sup> in the projects purchased with federal or state funds.

Capital assets include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art, historical treasures, and infrastructure. (GSAB 34)

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<sup>5</sup> TANGIBLE PROPERTY - Property that has physical substance and can be touched; Anything other than real estate or money, including furniture, cars, jewelry and china.

**DELAWARE HEALTH & SOCIAL SERVICES**  
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**ISSUE DATE:** January 1984 **REVISED:** 11/87; 9/95; 10/00; 12/03; 10/07 **LOG NO.:** X-U-3

**SECTION: Contract Management**

**SUBJECT: Equipment – Purchase and/or Lease with the Option to Buy**

PURPOSE: To establish a procedure for purchasing or leasing new or replacement equipment.

POLICY: Purchase of equipment with funds from the Division is not encouraged and requires prior approval by the Division.

PROCEDURES: Equipment is defined as having a unit cost of more than \$1,000 and a useful life expectancy of one (1) year or more.

Requests for the purchase of equipment must be submitted in writing, separate from and not included in the normal application process.

A detailed written justification must include:

- A detailed description: make, model, new or used
- Quantity and unit cost; total cost including delivery and installation, if applicable
- Purpose and uses
- Physical location
- Estimated life expectancy
- Cost effectiveness or benefits

Contractor requests for equipment will be handled on an individual basis during the funded project year as carryover funds or supplemental funds become available.

The Division retains an interest equal to its percentage share of the purchase cost of any equipment purchased with Division funds.

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**ISSUE DATE:**        **January 1984 REVISED: 11/87; 9/95; 10/00; 12/03; 10/07 LOG NO.: X-U-4**

**SECTION:    Contract Management**

**SUBJECT:    Computer Hardware and Software**

**PURPOSE:**        To establish a policy regarding the use of Division funds for the purchase of computer hardware and software.

**POLICY:**         The purchase of computer hardware and software using Division funds requires prior approval. Hardware and software must comply with the Division's requirements for hardware and software.

**PROCEDURES:**    All requests must be made in writing and receive approval prior to purchase. The request must demonstrate compliance with Department's Division of Management Services' Information Resource Management standards.

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<b>SECTION:</b>	<b>Contract Management</b>		
<b>SUBJECT:</b>	<b>Property And Equipment Disposal</b>		

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<b>ISSUE DATE:</b>	<b>June 1982</b>	<b>REVISED: 12/87; 9/95; 10/00;</b> <b>02/05; 10/07</b>	<b>LOG NO.: X-U-5</b>
<b>SECTION:</b>	<b>Contract Management</b>		
<b>SUBJECT:</b>	<b>Property And Equipment Disposal</b>		

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<b>SECTION:</b>	<b>Contract Management</b>		
<b>SUBJECT:</b>	<b>Property And Equipment Disposal</b>		

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<b>ISSUE DATE:</b>	<b>June 1982</b>	<b>REVISED: 12/87; 9/95; 10/00;</b> <b>02/05; 10/07</b>	<b>LOG NO.: X-U-5</b>
<b>SECTION:</b>	<b>Contract Management</b>		
<b>SUBJECT:</b>	<b>Property And Equipment Disposal</b>		

**PURPOSE:** To establish policy governing the disposal of property and equipment purchased with Division funds.

**POLICY:** Contractors are required to receive Division approval prior to the sale or disposal of property or equipment purchased with Division funds. In its approval notice, the Division will state whether it will require the contractor to forward to the Division its share of sale proceeds.

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**ISSUE DATE:** June 1982    **REVISED:** 12/87; 9/95; 10/00; 02/03; 10/07    **LOG NO.:** X-U-6

**SECTION:** Contract Management

**SUBJECT:** Property Management – Inventory

**PURPOSE:** To establish policy for Contractors to maintain an equipment and [tangible personal property](#) inventory.

**POLICY:** Contractors will maintain an updated inventory list and submit it to the Division upon request.

**PROCEDURES:** The Division requires an updated inventory list of all equipment purchased with Division funds of \$1,000 or more in value and a useful life expectancy of one (1) or more years.

However, good management practices include the maintenance of an inventory of all equipment and tangible personal property with a useful life expectancy of one or more years from all funding sources including donated items. (Such an inventory is useful for financial statements, audits and insurance).

The inventory list shall include:

- Description
- Property Tag Number
- Date of Purchase
- Source of Funds
- Initial Cost
- Condition
- Physical Location
- Estimated Life Expectancy

**DELAWARE HEALTH & SOCIAL SERVICES  
DIVISION OF SERVICES FOR AGING AND ADULTS WITH PHYSICAL DISABILITIES**

**ISSUE DATE:** December 1987      **REVISED:** 9/95; 10/00; 02/05; 10/07 **LOG NO.:** X-V-1

**SECTION:** Contract Management

**SUBJECT:** Records Management – Confidentiality

**PURPOSE:** To establish policy regarding the confidentiality of client records.

**POLICY:** Contractors are required to have procedures in place to protect the confidentiality of client information collected through the program.

**PROCEDURES:** Procedures shall be established to ensure that no information about a client, or obtained from a client, is disclosed by the provider in a form that identifies the person without the informed consent of the person or of his or her legal representative, unless the disclosure is required by court order, or for program monitoring by authorized monitoring agencies such as, federal or state government.

If a Contractor is a covered entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and if the activities delivered through this contract are covered functions, the Contractor must comply with HIPAA.

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**ISSUE DATE:** December 1987 **REVISED:** 9/95; 10/00; 12/03; 10/07 **LOG NO.:** X-V-2

**SECTION:** Contract Management

**SUBJECT:** Records Management – Retention and Disposal

**PURPOSE:** To establish policy regarding the retention and disposal of records by the Contractor on projects funded through the Division.

**POLICY:** Contractors are required to retain records for 5 years from the date services were rendered, or as otherwise required by the federal funding source. Records involving matters in litigation or audit exceptions shall be retained for 1 year following resolution.

**PROCEDURES:** The Contractor will have procedures to safeguard both program activity and fiscal records for the period specified in this policy.



**DELAWARE HEALTH & SOCIAL SERVICES**  
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**ISSUE DATE: June 1982      REVISED: 11/85; 1/87; 9/95; 10/00; LOG NO.: X-V-3**  
**02/05; 10/07**

**SECTION: Contract Management**

**SUBJECT:   Records Management - Public Information**

**PURPOSE:** To provide the Division's position on the accessibility of official records.

POLICY: Official records shall be considered public records with the exception of any documents exempted from public access under the provisions of the Federal Freedom of Information Act (FOIA) and Delaware Code.

The policy of the Division is to refer requests for information pertaining to contracts to the Procurement Administrator, Delaware Health & Social Services Procurement Office.

# Attachments

**State of Delaware**  
**Department of Health and Social Services**

August 10, 2001

**POLICY MEMORANDUM NUMBER: 7**

**Subject: Client service waiting lists**

**I. POLICY STATEMENT - PHILOSOPHY**

It is the policy of Delaware Health & Social Services (DHSS) to ensure that publicly funded services are available to the state's citizens in an equitable and fair manner. In instances where resources are not adequate to serve all citizens qualifying for a service, DHSS recognizes the need to maintain waiting lists. These waiting lists must be developed and maintained with the best interests of Delaware's most vulnerable citizens in mind.

**II. PURPOSE**

The purpose of this policy is to ensure that public resources are allotted fairly to citizens in need of DHSS services.

**III. SCOPE**

This policy applies to all publicly funded services (state or federal) provided by DHSS for which a waiting list becomes necessary, unless federal or state laws or rule requires a different procedure. This policy also applies to DHSS agents including contractors who are determining slots in public programs.

This policy applies to participation in programs and services, but not each service delivered in that program. For example, it does not apply to physicians participating in the Medicaid program, but it does apply to the Health Benefits Manager.

**IV. PROCEDURE**

- A. All services for which a waiting list becomes necessary shall maintain that list in one of the following two fashions:
  - 1. According to the date on which eligibility was approved (first come, first served), with clients served in the order in which they were deemed eligible.
  - 2. According to the relative need of each client/potential client, with those having critical needs being served first.
- B. All residential service waiting lists shall be maintained according to client need.

- C. Guidelines for determining need shall be written, maintained and available for public inspection. These guidelines may include, for example:
- Danger or risk of losing support systems, especially living settings or supports necessary for self-maintenance
  - Risk of institutionalization
  - Current residence unnecessarily segregated
  - Significant risk of abuse or neglect
  - Basic health, safety, and welfare needs not being met through current supports
  - Risk of functional loss without intervention or ongoing skill maintenance services
  - Exhibition of behavior that presents a significant risk of harm to self or others.
  - Ability to obtain services without state assistance (e.g., income and assets)

It is strongly recommended that the division choose accessible automated record keeping capabilities for building, storing and statistically analyzing services/program consumer waiting lists.

- D. Waiting lists may assign each person a unique ranking, a category of need into which a number of clients/potential clients fall, or by another method established in written guidelines.
- E. Waiting lists based on need must be reviewed periodically to re-evaluate the relative needs of clients/potential clients. This does not apply to first come, first served lists except to verify, as needed, that the client/potential client is still eligible for the service and still wants the service.
- F. The written guidelines shall be followed in all placements/service decisions. When necessary, other considerations may be included in decisions, such as the client's compatibility with the available service. An example of this would be considering geography in a group home placement. In the case where compatibility is considered, clients shall be considered in turn in the order of the waiting list.
- G. In cases where need is determined by category, in no instance shall someone from a lower category of need receive publicly funded services before all clients in a higher need category receive the service. This does not apply in cases where the needs of a person lower on the list changes and becomes critical. The Division Director in consultation with the DHSS Secretary or his/her designee may make exceptions to this rule.

**V. EFFECT**

- A. This policy becomes effective immediately for all services and placements not previously committed. Written policies must be in place no later than 60 days from adoption.
- B. This Department Policy supersedes all other policies, directives, or rules related to the subject.

Vincent P. Meconi  
Vincent P. Meconi, Secretary  
Delaware Health & Social Services

VPM/drl

## **DELAWARE'S EQUAL ACCOMMODATIONS LAW**

The services of this program are available to all eligible persons regardless of race, age, marital status, creed, color, sex, national origin or handicap. Federal funds including but not limited to the Older Americans Act (of 1965, as amended) and State funds help to support this program.

Complaints can be made to either:

### **DIVISION OF SERVICES FOR AGING AND ADULTS WITH PHYSICAL DISABILITIES**

Department of Health and Social Services  
Main Administration Building  
Herman Holloway, Sr. Campus  
New Castle, Delaware 19720  
1-800-223-9074

or

### **Department of State Division of Human Relations**

Carvel State Office Building  
820 French Street  
Wilmington, DE 19801  
(302) 577-5050

Williams State Service Center  
805 River Road  
Dover, DE 19901  
(302) 739-4567

Georgetown State Service Center  
546 S. Bedford Street  
Georgetown, De 19947  
(302) 856-5331